

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAII

STATE OF HAWAII, *EX REL.*
DAVID M. LOUIE, ATTORNEY
GENERAL,

Plaintiff,

vs.

CAPITAL ONE BANK (USA) N.A.,
CAPITAL ONE SERVICES, LLC,
and DOE DEFENDANTS 1-20,

Defendants.

CIVIL NO. _____
(Other Civil Action)

**DECLARATION OF
MONA JANTZI**

DECLARATION OF MONA JANTZI

I, Mona Jantzi, under penalty of law, attest as follows:

1. I am a Vice President, Card Customer Management for Capital One Bank (USA) N.A. ("Capital One"). My responsibilities include managing certain optional amendments to Capital One credit card agreements that provide for the cancellation, under defined circumstances, of some or all of a borrower's debt repayment obligations. In this declaration I refer to such optional amendments as payment protection plans. I am competent to testify on the matters stated herein. This declaration is based upon my personal knowledge and my review of Capital One's business records.

2. Capital One Bank (USA) N.A. has since March 1, 2008 been a national banking association chartered under the National Bank Act. Capital One's main office is located in Virginia. Capital One extends credit to its cardholders by offering them credit card accounts, the terms of which are governed by a cardholder agreement.

3. Capital One Services, LLC ("COS") is a wholly owned subsidiary of Capital One Bank, N.A. COS is incorporated in Delaware and its principal place of business is in Virginia. COS does not issue credit cards.

4. Capital One's payment protection plans are optional amendments that modify the terms of Capital One's cardholder agreement relating to repayment of a customer's credit card loan and late fees for failure to make minimum payments. Customers make payments for such amendments over and above the finance charges assessed on the account. The amount of payment protection plan fees is determined by reference to the outstanding balance on the customer's credit card loans. In general, payment protection plan fees are a specified amount for each hundred dollars of balance on the account.

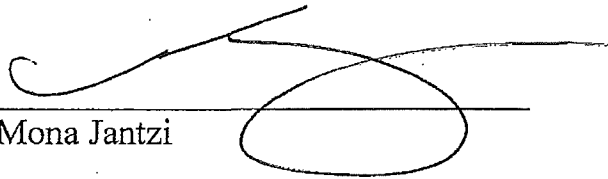
5. If their account has a balance at the end of a billing cycle, Capital One cardholders ordinarily must make a minimum payment on the account by the close of the next billing cycle. If the customer does not pay at least the amount of the minimum payment, Capital One may assess a "late" or "past due" fee on the

account. When a customer has enrolled in payment protection and activates a benefit, the customer's obligation to make monthly minimum payments is cancelled under certain specified circumstances, and the customer is not assessed a late fee with respect to billing cycles for which the minimum payment amount is cancelled. In other circumstances, the cardholder is also relieved of the obligation to repay some or all of the principal amount of the loan balance. Depending on the plan, debt cancellation may occur in the event of death, disability, involuntary unemployment, marriage, birth of a child, moving, natural disaster, hospitalization, business hardship, a once-a-year payment holiday, and other qualifying events, each of which is specifically defined by the terms of the plan. Customers who do not pay payment protection fees, but instead pay only finance charges determined by reference to the annual percentage rate on the account and the average balance, do not receive the benefit of payment protection contract amendments. If one of the above-described events occurs, and a customer not enrolled in payment protection fails to make a timely minimum payment, no portion of the customer's debt is cancelled, and a late fee may be added to the customer's account balance.

6. According to Capital One's records, thousands of Hawai'i residents have paid payment protection plan fees to Capital One. In the aggregate these fees exceed \$5 million in the period since April 12, 2008 to the present.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge and belief.

Executed on May 18, 2012, in McLean, Virginia.


Mona Jantzi